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THE DEFENSE RESOURCES BOARD AND THE ALL SOURCE ANALYSIS SYSTEM
AN EXAMPLE OF BUREAUCRATIC POLITICS

DOMESTIC CONTEXT
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THE OPENING GUN

The President's Budget had just been submitted to Congress. Weeks of hectic activity had ended. The systems integration action officers within the Pentagon were looking forward to a peaceful respite. On March 23, at a routine Wednesday morning Army Requirements Review Council meeting, General Vuono, Chief of Staff, Army (CSA) announced the Defense Resources Board (DRB) would convene 4-6 April to examine programming issues related to the FY 91-95 Five Year Defense Plan (FYDP). As this word filtered down through the directorates of the Deputy Chief of Staff for Operations and Plans (DCSOPS), I sat contentedly believing the worst of my relatively new tour was over. I had made it through one cycle of the budget preparation process and was satisfied I had done my job. The program I represented had lost no funding despite critical review at all echelons of the Department of Defense (DoD) bureaucracy. When my boss announced the DRB meeting I had no idea what a DRB was, nor any notion of what impact it could have on me. Within five days, my world changed radically. My program, the Army All Source Analysis System (ASAS), had been tagged by the Assistant Secretary of Defense for Program Analysis and Evaluation (ASD(PAE)), Dr David Chu, to be "killed!"

What Gray¹ refers to as the General Adaptation Syndrome set in. It is difficult to describe the rise in adrenaline as the feelings of fear and stress developed when I heard that Dr Chu personally selected ASAS for termination. What was to follow was a rapid education in how the Pentagon bureaucracy works. In less than two weeks I was to become intimately familiar with the DRB process, the power and influence of Dr Chu, the frustration of educating senior decision makers on the significance of a complex developmental program, the finesse required to get people to accept a favorable position on an issue, and the disbelief that what really counts

is bargaining and influence rather than the war fighting value of the system at issue. The events which occurred were a textbook example of Halperin's² bureaucratic model of high level decision making. The intent of this paper is to describe how the ASAS issue was addressed by DoD's highest level decision forum³, with comments concerning applicability to Halperin's model.

ELEMENTS OF THE PROBLEM

ASAS is one of the Army's most controversial developmental programs. It is the number one priority intelligence system and among the top ten priorities (out of more than 500) in the Army. With over \$1 billion in sunk costs and ten years in development, the system remains four years from fielding. Continued development and procurement are projected to cost an additional billion dollars. As costs continue to rise, numerous opponents have come to the fore. The most formidable opponent has been Dr Chu, the PAE chief and wunderkind of the Office of the Secretary of Defense (OSD).

Prior to 1979, the Services had 15 separate tactical intelligence fusion programs in development. Congress, sensing excessive cost duplication, directed, by law, that the programs be consolidated and managed by the Joint Tactical Fusion Program Office. The Army and Air Force got on board, with Congress directing the Army to take the lead. The Navy and Marines took a wait-and-see attitude and invested no funds.

ASAS, and its Air Force counterpart - the Enemy Situation Correlation Element (ENSCE), is intended to serve as a tactically deployable automated data processing system designed to receive, correlate and fuse intelligence data from strategic and tactical sources, to develop critical intelligence and targeting information in a near real-time fashion and to disseminate it

rapidly through existing communications systems. The ASAS/ENSCE would, for the first time, provide ground and air commanders with a common view of the battlefield; particularly the deep battle area. The expected outcome is improved combat decision making and more effective and efficient use of extremely high dollar munitions. The need for this capability was validated by all Services and it plays a central role in war fighting doctrine through the 1990's and beyond.

Nothing like ASAS exists. The software development is extremely complex and made more so by the requirement to automatically sanitize compartmented special intelligence for use by battlefield commanders. The lead contractor, NASA's Jet Propulsion Laboratory (JPL), has stated the software effort is more complex than anything designed for the US space program. Development has been further compounded by the changing Service needs and interface requirements caused largely by the program's lengthy research and development (R&D) phase; e.g., numerous weapons and information systems have been fielded since the original statement of work was developed ten years ago.

Through all the years of R&D, the system has received strong support from the Service chiefs and Congress. However, the Pentagon budgeteers, the General Accounting Office and the Army Audit Agency hold quite a different perspective. Their view finally rose to the top with Dr Chu's initiative to "kill the program" as part of a White House directed \$1.8 billion cut in the FY 91 DoD budget.

PARTICIPANTS

The moment Dr Chu's issue paper containing his proposal hit the street, lines between the proponents and opponents of the program were quickly

drawn.

As Halperin notes⁴, membership in the bureaucracy substantially determines one's perceptions and goals. The principal supporters of ASAS are shown on the chart at enclosure 1, excluding the ASD(PAE), Dr Chu, and the OSD (Comptroller), Mr O'Keefe. The proponents are principally operationally oriented leaders who clearly understand the needs of the future battlefield and the interrelationship between intelligence support and high technology weapons systems. As expected, Dr Chu and Mr O'Keefe, the program's staunchest enemies, are dollar oriented, with little knowledge of intelligence or war fighting doctrine. Again, Halperin pertains: "Most officials' positions on issues can be predicted with high reliability from a knowledge of their organizational affiliation."⁵

Of special interest, was that group of influential leaders who play a role in the DRB, but are not directly involved in the ASAS program. These included the Commanders-in-Chief of the European Command (EUCOM), the Pacific Command (PACOM), the Atlantic Command (LANTCOM) and the Forces Command (FORSCOM). Most important were the views of the new Deputy Secretary of Defense (the designated chair of the DRB) (Mr Donald Atwood, Jr.) and Mr Cheney, the SECDEF. Both were unknown entities at the start, but were to play the crucial roles in making the final decision.

DRB PREPARATION

As is customary, the office of the secretary to the DRB, ASD(PAE), prepares the issue papers that outline the discussions. For the April board, some 20 issues were developed. What was unique about the ASAS issue was the fact that Dr Chu personally wrote the paper recommending termination. His logic included excessive cost growth and an unreasonably

lengthy development period. He made no comment regarding how the validated need for an ASAS-type system would be satisfied.

Once the ASAS issue paper was in the hands of the Army staff, the leadership organized for the attack. The first decision was which staff office would be responsible for preparing the Army position. Three staff elements vied for the responsibility: the Deputy Chief of Staff for Operations and Plans (DCSOPS), the Army PAE and the office of the Assistant Secretary of the Army for Financial Management (ASA(FM)). The CSA selected the ASA(FM) to coordinate the Army position. However, problems developed from the start as ASA(FM) action officers had no familiarity with ASAS. They had to turn to other DA staff elements for input. For ASAS, the process of obtaining information became extraordinarily complicated.

An ASAS-unique problem was the fact there are three staff agencies involved in monitoring its development: the DCSOPS, the Director for Information Systems, Command, Control, Communications and Countermeasures (DISC4) and the Army PAE. Normally, the DISC4 would be the single point of contact for an automation system. In the case of ASAS however, the DCSOPS controlled the program and most management information.⁶ No one within ASA(FM) was familiar with this organizational anomaly, so multiple attempts were made to obtain information from DISC4, and because the DISC4 felt it should respond, it provided input. At the same time, the Army PAE, a most knowledgeable and aggressive individual, directed his action officer (AO) to prepare input for the ASA(FM). As in the case of the DISC4, the AO had no knowledge of the program. Thus, both the DISC4 and PAE action officers came to the DCSOPS for input. However, as no one could agree on the format for the DA position papers, the DCSOPS input was edited to fit the format unique to each staff activity. In so doing, significant information was lost. As

the first Army leadership review meeting approached, four position papers, each with a different twist regarding the system, were disseminated throughout the DA staff. Few general officers were aware of the details of the program or how ASAS was intended to function, so the contradictory information moving through the staff only exacerbated misunderstandings and led to open conflict during the initial CSA DRB preparatory meeting. Despite the Chief of Staff's open frustration, his staff never fully coordinated and inaccurate system information remained in the minds of key Army leaders as they entered the DRB forum.

Similar confusion existed within the OSD hierarchy. The OSD PAE and Comptroller action officers, like their DA staff counterparts, had no understanding of ASAS. Thus, they turned to the DA staff for input; not to the DCSOPS, but to the DISC4 - a poor source. The data they received on program performance was as misleading as that provided to the DA decision makers. In the few hours they had available to develop the OSD PAE argument's rationale, they were never able to glean a good understanding of ASAS and the results of their effort contained gross errors of fact. As it would later turn out, the misinformation they used could easily be refuted and their credibility placed at risk. Initial guidance to DA action officers called for cooperation with the OSD players. However, as the debate became more confrontational calls for additional data were referred to the ASD for Command, Control, Communications and Intelligence (C3I), OSD's strongest supporter of the program.

Interestingly, from the start the ASD(C3I) took a strong position opposing Dr Chu. Dr Smith, the ASD(C3I), wrote a scathing letter to Dr Chu indicating PAE had no right to take the initiative to terminate the ASAS program; that his office had been closely monitoring it, and if there was a

problem Dr Chu would be notified. Relations between these two key OSD offices immediately deteriorated and C3I provided no additional information to assist the OSD PAE or Comptroller. Had they done so the facts could have been clarified and accurately represented.

ARGUMENTS AND BARGAINING

The stage was set for the great debate. The format for the DRB proceedings was used by the Army staff in plotting their strategy. The Defense Resources Board, chaired by the Deputy Secretary (DEPSECDEF), is the major governing body of the DoD resource allocation process; board members are shown at enclosure 2. The ASAS issue was scheduled for 30 minutes, including a presentation of the Army position by the CSA and general discussion. The final decision would be made by the SECDEF within two days of the meeting and announced in the form of a Program Decision Memorandum. During the board deliberations, the DRB members, as well as the operational commanders, have the opportunity to inject their comments. This latter point was the significant factor in determining the Army strategy.

The CSA was unequivocal in his support for ASAS. Upon receipt of a copy of Dr Smith's memo to Dr Chu, the Army became very aggressive. The CSA immediately sent a message to all the CINCs requesting support or at least no opposition to the Army position on ASAS during the DRB deliberations. (This approach generally followed Halperin's model regarding how arguments are handled.⁷) He also met with the DEPSECDEF to solicit his support. (As Halperin's model notes⁸: "Participants maneuver to involve those they think will favor their position and to exclude those they think will oppose it.") A copy of the message and memo's of the meeting were provided to OSD C3I, which, in turn, provided copies to Dr Chu (perhaps providing what Halperin calls 'coercion'⁹). The pressure was building in

the final two days prior to the scheduled debate.

Dr Chu's initial proposal called for the complete termination of the program. After receiving considerable negative reaction from the Services and particularly C3I, a new issue paper was developed 48 hours before the DRB session. It changed the PAE strategy by proposing to zero only the FY 91 funding. This event triggered another strongly negative response from the Army staff as zeroing a single year would place the program in jeopardy with Congress; a fact Dr Chu, no doubt, was familiar with.¹⁰ The ASD(C3I) response was more dramatic. Dr Smith prepared another earthy memo to Dr Chu again taking him to task for getting involved in C3I affairs. More importantly, he wrote a memo to the SECDEF in which he mixed no words in expressing his strong disagreement with the PAE proposal and suggested the issue be dropped from the DRB agenda as the system was vital for future battlefield intelligence collection and analysis and major weapons systems targeting. (This approach is clearly in line with Halperin's predicted use of coercion.) The memo to the SECDEF was the strongest many Pentagon observers had ever seen. It caught the OSD PAE by surprise. (Equally surprising was the fact such a strongly worded, confrontational memo came from Dr Smith. His reputation had been that of a quiet man, opposed to confrontation in any form. It appears battles over turf may bring out the real character of men.)

Meanwhile, representatives of the CINCs called the DA staff to obtain more detailed information. Over thirty phone calls were exchanged between the DCSOPS action officer and his counterparts in EUCOM, PACOM, LANTCOM and FORSCOM. The positions of these commands varied, as Halperin would predict, depending on their perception of what they had to gain and their understanding of what ASAS offered them. As LANTCOM and PACOM are

responsible for few ground forces, they initially saw little value in ASAS; at least not enough to go to battle with Dr Chu. FORSCOM was attempting to develop (illegally¹¹) their own version of ASAS because they had one of the lowest priorities for receiving the system (well after the year 2000). Thus, the FORSCOM staff in order to retain CINC support for its developmental efforts inaccurately portrayed the benefits of ASAS and so FORSCOM support was also initially luke warm. Fortunately, the CINC EUCOM sent a forceful message to OSD explaining his position that ASAS was the most significant combat support system programmed for USAREUR and he desperately needed its capabilities earlier than currently scheduled. In fact, he demanded more funding be provided the program to support earlier fielding.

The CINC EUCOM message caused a great stir within the Pentagon. The main result was that Dr Chu again reexamined the issue. However, after a quick review his position remained firm, but he issued a third version of the ASAS issue paper. In it he returned to his initial view that the program be terminated. His logic this time was there was no requirement for a tactical fusion capability, that the Joint Surveillance and Target Attack Radar System¹² (J-STARS) would adequately handle the near term battlefield need for intelligence and, for the long term solution, a study group should be formed to reexamine options for providing a capability similar to ASAS. He did not address the ASAS sunk cost or the potential cost or source of funding for a new development effort.

The Army leadership's reaction to Dr Chu's new proposal was very negative. Dr Chu was perceived now to be becoming involved in warfighting strategy; to be saying the Army's (and Air Force's - ASAS is a joint program) future warfighting doctrine was unsound. Further, the leadership

was well aware that Dr Chu's proposal skirted the current requirement for a ASAS-like capability and that he appeared to be grasping for any justification to eliminate this specific system. An important result of Chu's revised argument was that the Air Force came to strongly support the Army's position as did most of the CINCs. All felt Dr Chu was acting well beyond his charter. The net result was the day before the DRB met, all Services, CINCs and the OSD C3I were prepared to support ASAS, or at least to fight Dr Chu's initiative.

THE DRB DELIBERATIONS

The ASAS issue was scheduled to be discussed at the end of Day 1 of the DRB deliberations. The first portion of the agenda included a new requirement for the CINCs' to provide a 30 minute presentation on their key budget issues. Obviously, those responsible for preparing the agenda were not aware that few four star officers could speak for only 30 minutes. It was not until the end of the second day that all CINCs had completed their presentations. ASAS was rescheduled as the first topic on Day 3.

The delay caused by the lengthy CINC presentations provided maneuver time for securing consensus among the military participants and ASD(C3I) regarding their support for ASAS. Tremendous effort was spent solidifying the support of the senior military members in exchange for Army support for other Service issues. Fact sheets and briefing notes were revised several times. Four late night meetings and briefings with the CSA were conducted. Yet the facts on the ASAS program were still not accurately represented. (Halperin's model may account for this when he notes that, "...intelligence in reality is rarely if ever either complete or accurate."¹³)

By the time the ASAS issue was raised at the DRB, only 15 minutes

were allotted for discussion. The CSA presented his position. Dr Chu made no comment; his third version of the issue paper, with all its obvious logic errors, stood on its own merits. The CINC EUCOM made a 30 second plea in support of the program. No other voices were heard.

As DRB sessions are secret, no one knew what had happened until the word finally filtered down from the CSA's office late on the evening of 6 April; the SECDEF's final decision on ASAS would be made over the next few days. There was no indication of how successful the CSA had been in making his case. Pins and needles.

On the morning of 10 April, informal word was received from ASD(CSI) that Secretary Cheney had made a decision in favor of ASAS. Apparently, his prior knowledge of the program gained while a member of the House Intelligence Select Committee was more than adequate to ensure his support. What is ironic is that Mr Cheney may have been the only individual in the DRB session who actually understood ASAS. If he had not participated in the DRB discussion the program may not have survived. Two days later, a Program Decision Memorandum was issued which reflected his support. ASAS was granted new life and an expression of very high level support, but we all were aware that Dr Chu has a very long memory. The four inches of briefing materials prepared for the DRB were placed in the permanent files.

AFTER THOUGHTS

As Halperin's model predicts, the individuals involved in the ASAS decision making did not see the issue in the same way, nor did they have the same interests. The roles they played within DoD gave them access to different information which led to different concerns (e.g., effective targeting of deep battle weapons vs. cost). What was a budget issue to Dr

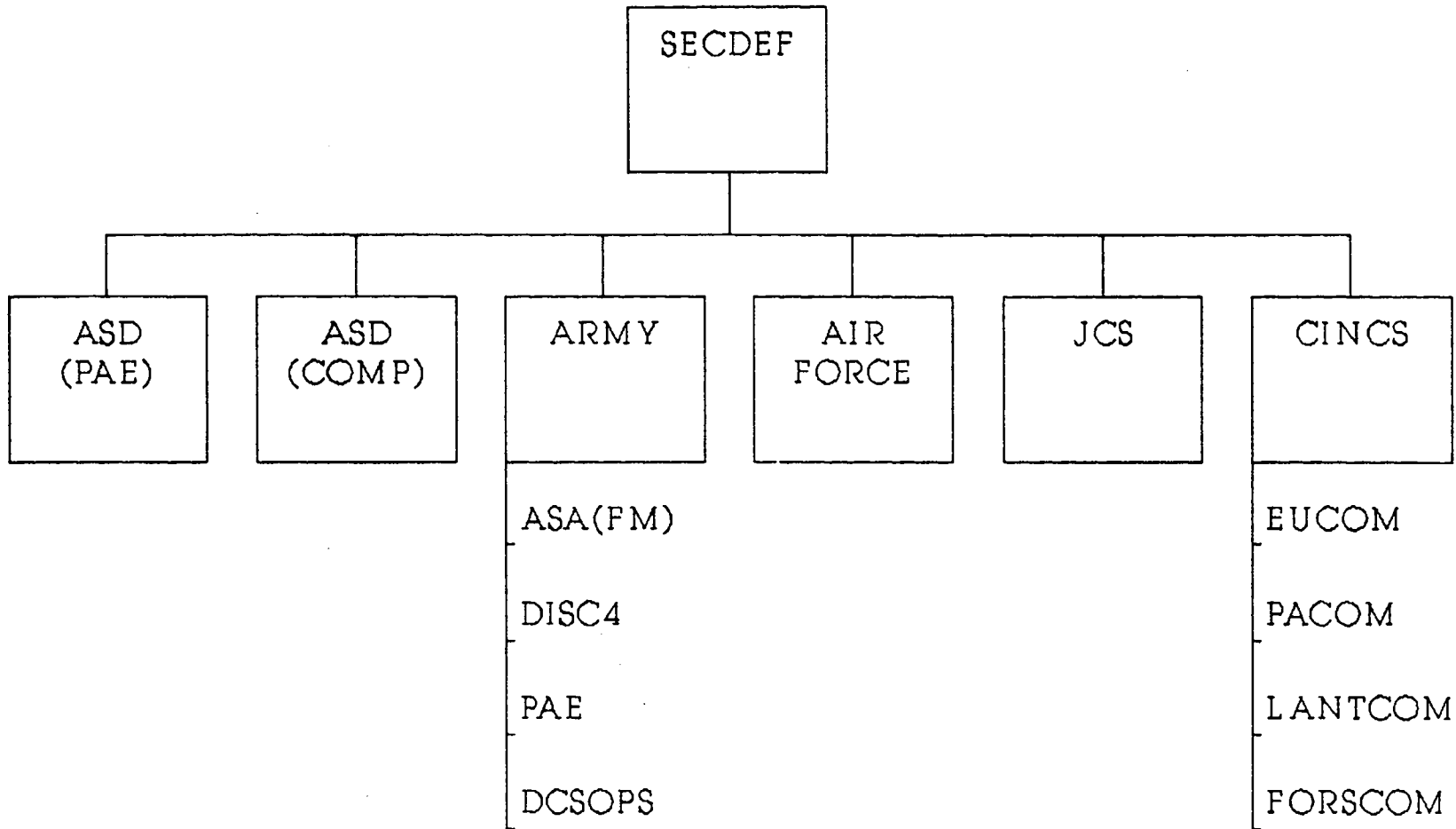
Chu and Mr O'Keefe, was an operational issue to the CSA and CINC EUCOM. Participants maneuvered to involve those they thought favored their position (e.g., Chu sought out O'Keefe, the Army sought support from the CINCs). It seems clear that these officials' positions on the issue reflected their organizational affiliation. The Army sought to maximize support for ASAS in three different ways. First, it sought to persuade the CINCs, the DEPSECDEF, the Vice Chairman of the JCS and others that they had a stake in the issue. Second, the Army offered to support other Service issues in exchange for its support for their priorities (bargaining). Finally, in coordination with the ASD(C3I), the Army attempted to coerce Dr Chu by providing him a copy of the C3I letter to the SECDEF - actually drafted by the DA DCSOPS action officer - and getting the CINC EUCOM to formally take a position.

The potential value of an ASAS assumed greater significance than the effective management of the program. Although none of the participants really had complete and accurate facts, Dr Chu had the correct instinct. ASAS had not been properly managed. Costs were excessive. The development effort was well behind schedule. There was solid evidence to support, as a minimum, a major restructuring of the program. However, Dr Chu's action officers never really understood these points and failed to articulate a credible position. The primary reason was time. Too much was expected of the analyst/action officers in too little time. Further, the issue became too personal. Him (Dr Chu) versus us (the military). Had the complete picture been made available to all attending the DRB, even the staunchest military supporters would have agreed there was a need to improve program management.

In conclusion, the events surrounding this decision making process

"closely parallel Halperin's model. Whether or not it would have been useful to have studied the model before the process began is another issue. In the case of the ASAS decision, the SECDEF himself became the wild card. His personal interest in the program developed by monitoring it over several years in his previous job may have been the single, most important factor in the final decision. For now, we do not know. The author attempted to contact the Secretary, but his schedule did not permit an interview. His time was fully committed to making other policy decisions.

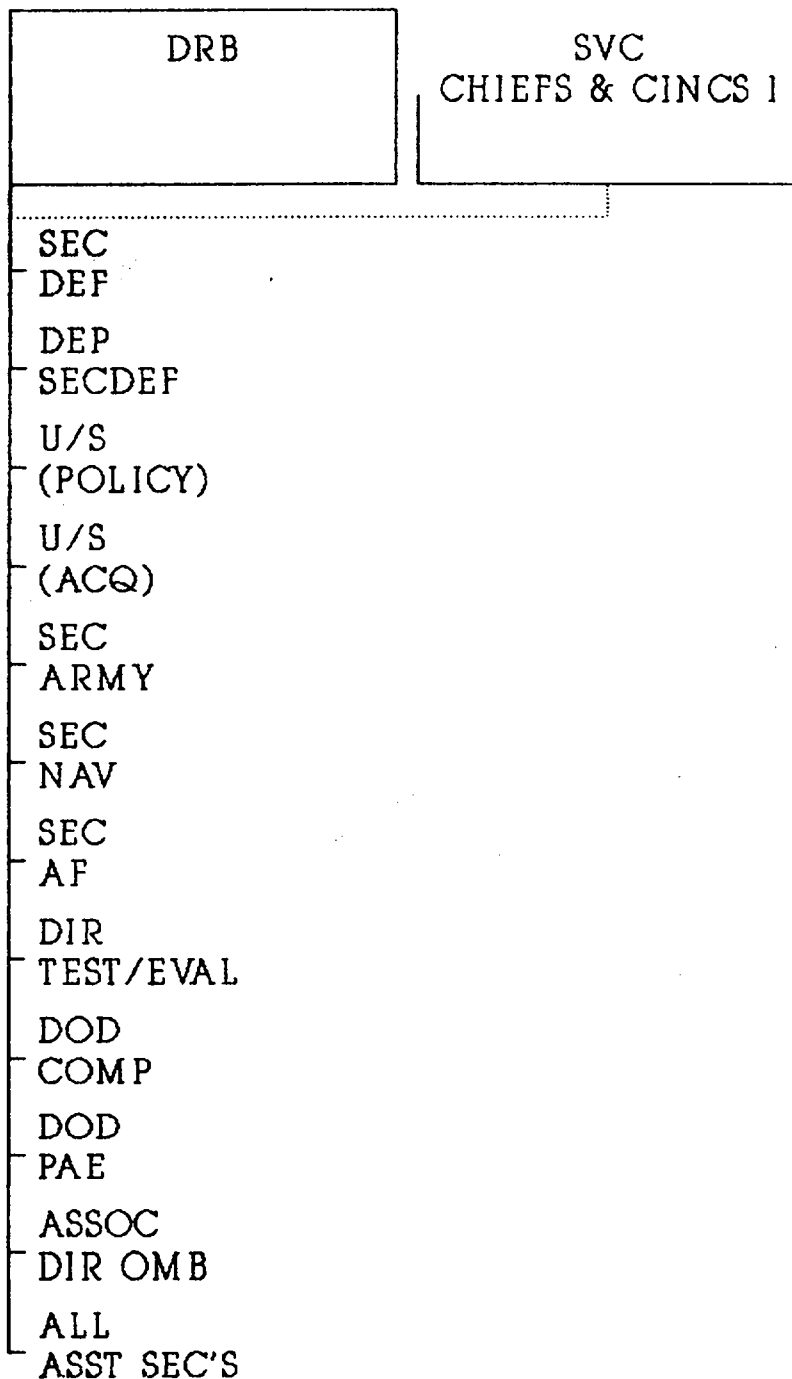
PRINCIPALS INVOLVED IN ASAS DECISION



ENCLOSURE 1

ENCLOSURE 1

DEFENSE RESOURCES BOARD ORGANIZATION FOR ASAS DECISION



1 NON-VOTING PARTICIPATION

¹ Jeffrey A. Gray, The Psychology of Fear and Stress, (Toronto, 1971).

² Readings in American Foreign Policy: A Bureaucratic Perspective, edited by Morton H. Halperin and Arnold Kanter (New York, 1973).

³ It should be noted that the DRB process was modified on this occasion as the new SECDEF, Dick Cheney, had just taken office and, in the interest of his own education, he elected to play a unique role in the decision making forum.

⁴ Halperin, p. 3.

⁵ Halperin, p. 15.

⁶ This arrangement had been in effect since the early days of the program, well before the creation of the DISC4. Despite the Goldwater-Nichols DoD Reorganization Act, the Joint Tactical Fusion Program Office had never been placed under the Army's acquisition chain.

⁷ Halperin, p. 23.

⁸ Halperin, p. 20.

⁹ Halperin, p. 23.

¹⁰ Without funding, the contractor could not continue
footnote continues next page

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development; all subcontractors and most highly specialized software developers would have to be fired. Congress would assume the DoD was not serious about ASAS and, most likely, terminate the out-year funding.

¹¹ Major commands are not authorized RDT&E funding. FORSCOM apparently was illegally using OMA funds (or other types) for a 'full system scale' development effort. Once appropriated, the color of money cannot be changed without Congressional approval. OMA funds can only be used for operations and maintenance.

¹² J-STARS is a joint Army-Air Force effort to develop an air frame capable of tracking enemy moving targets, identifying them by type, number and location and relaying the data to ground stations located with tactical commanders for use in targeting. The essential point is J-STARS does not meet the validated requirement for an ASAS.

¹³ Halperin, p. 26.